

Part 1: "Elevator" Introduction

Brief elevator pitch for your company

Pain: How many calories an individual should eat, or how much exercise an individual should do to reach a target weight, avoid weight plateaus or yo-yo effects? The key to these basic and important questions is: metabolism. Currently, weight management professionals either rely on inaccurate equations to calculate metabolism or need expensive equipment.

Solution: Breezing® is the world's first metabolism tracker to assess personalized caloric and exercise needs for the clients/patients of the professionals. Metabolism tracking is recommended practice for weight management by the Academy of Nutrition and Dietetics (AND), and the measurement is reimbursable via insurance CPT code, but formerly available commercial equipment is expensive and difficult to operate. Breezing Co. brings an affordable and accurate metabolic tracker to the market via a cutting edge sensing technology.

Part 2: Market and Industry Analysis

How large is your market? What market segments are you going after and why? The global market for weight loss and diet management products/services was estimated to be \$670 billion in 2015. Breezing's initial focus will be on weight management professionals, dietitians, and nutritionists because these professionals already recognize the importance of metabolism in weight loss, diet management and fitness. The estimated market for these selected professionals is over \$1 billion based on the numbers of registered dietitians and nutritionists (including sports nutritionists).

Is this market growing? How fast? The global weight loss and diet management market is growing at a Compound Annual Growth Rate of 11.5 percent. The device market accounts for the largest market share, with a \$143 billion market size (<http://www.prweb.com/releases/weight-loss-industry/market/prweb11241934.htm>).

Who is in the market already? What is the nature of competition – direction, indirect, substitutes? To measure metabolic rate, the "gold standard" maintained by the WHO requires indirect calorimetry. However, there are very few "portable" indirect calorimeters – and none can be used for personal monitoring. The majority (such as traditional metabolic carts) are large, costly, time-consuming, and difficult to operate – designed for use in the laboratory setting. Breezing is the only portable indirect calorimeter that connects wirelessly to an integrative mobile app. The closest competitor is the BodyGem Portable Analyzer, which offers metabolic "measurements", but not comprehensive calorie intake goal. In addition, BodyGem doesn't measure carbon dioxide production, and it only estimates the value. Measuring carbon dioxide allows Breezing to accurately determine metabolism and respiratory quotient (which can show whether a user is burning fats, carbohydrates, or a mixture of both). BodyGem is also limited in accessibility of power, unlike Breezing, which is mobile-based.

Part 3: Go-to-Market Plan

Who are (will be) your customers? Describe your engagement / discussions with them to date. Have you validated their needs? Prove they are buying (or will buy) your product from you. By talking with our customers on the phone, as well as through email, Skype, Facebook, and Twitter, we know that our customers are weight management professionals, dietitians and nutritionists who wish to use metabolism tracker in their practice. Breezing metabolic tracker also attracts some early hi-tech adopters. With no active paid advertisement, Breezing Co. has sold over 2000 devices and 40,000 sensors via pre-orders and word-of-mouth.

Describe how you win customers today. Describe your future customer acquisition strategy: 1) Professional networks and conventions. 2) Google and Social Media. We are currently the top ranking in Google search under the entry "metabolism tracker". We actively maintain our Facebook and Twitter accounts to engage with our customers and followers, and have over ~2000 e-mail subscribers. 3) Free press/media coverage. Breezing has been promoted through global news coverage, including BBC News, Sports Illustrated, Forbes, Scientific American, Wired Magazine, ABC News, SHRadio. The Breezing Tracker has also been featured in Jillian Michaels's show, Sweat, Inc.

How will you displace any incumbents/competitors? How are you better/different than your competitors? What's your channel/partnership strategy, if any? Currently, metabolism is measured either with inaccurate methods or expensive equipment. Breezing is designed for weight loss, diet and fitness professionals who have a limited budget to acquire new equipment, and limited time to perform each metabolism test, and to maintain and calibrate the equipment. Breezing costs \$325 (3x cheaper than competitors), requires no calibration/maintenance, is fast (2 mins, 5-10 times faster) and the cost is \$7 per test (3x cheaper). Insurance CPT code already issued for metabolism test, which allows professionals to bill the insurance at \$80-120 per test.

Part 4: Technical Product Description and Plan

Briefly describe your product or service: Connecting wirelessly to a smartphone/tablet (Bluetooth), professionals can measure and track their clients' metabolism through a novel exhaled air and gas analysis technology. Breezing's mobile app tracks metabolism, and uses an intelligent algorithm to help users create a customized health/fitness plan, with recommendations based on users' measured metabolism. It also interfaces via Health App and S-Health for weight, physical activity, and diet tracking.

Technology Validation. (What evidence can you present that your product works as advertised? Future validation plans?) Breezing device has been validated with gold standard methods, and with thousands of tests. A description of the validation procedures and results has been published in JGODMS (X. Xian et al., 2015). Additionally, the device's accuracy has been validated by multiple international institutions, such as Mayo Clinic, Moscow Hospital, Swiss Obesity Society and Mexican Sport Nutritionists. The robustness of the product has been evaluated by Intertek, a leading provider of quality, safety and inspection for consumable products, and a certification has been received that allows Breezing to sell the product in US, and Asia. To expand to the European market, Breezing Co. has received CE certification. Breezing Co has sold over 1000 devices through pre-orders and another 1,000 trackers via on-line stores. The users have shared their successful experiences with Breezing Co. and the return rate is less than 3%, below similar products sold on the market via online store. Additional, several clinical studies have been completed, including weight loss for type 2 diabetes (University of Arizona College of Medicine), tracking of "afterburn" for fitness (via a Phoenix fitness club, and University of British Columbia), and pregnancy (via ASU).

Describe the remaining product development risks and your plans to overcome them: Breezing Co. follows the razor blade model, generating revenue through sales of the disposable sensors. Minimizing sensor production costs is thus critical. Plans to optimize the sensor production line include automation of equipment, additional training of technicians, and establishing partnerships with material suppliers.

Describe your product's advantages (features, for example) for end-users vs. substitute solutions (not just direct competitors): Unlike "calorie burn/metabolic rate" calculators/estimates, Breezing accurately *measures* metabolic rate based on each person's unique physiology, which can vary greatly among individuals - even with the same age, height, weight, gender. And unlike weight scales - which don't account for water retention, accurate body fat composition, and other individual fluctuations - Breezing monitors overall health/fitness progress, encouraging users to stay on track.

Describe your company's current intellectual property status and plans for the future. (Issued patents? Licensing agreements? Pending patent applications? Trade secrets?): Breezing Co licenses a core technology from ASU ([#US20130150746](#), [#WO2013019843A2](#)) and has developed several critically technologies and trade secrets (PCT/US2014/012383), including a chemical sensing recipe and breath sampling algorithm.

Discussion of any non-IP barriers to entry for your market. Include what you have done to make it difficult for others to challenge you as well as what challenges you may face such as manufacturing arrangements, distribution contracts, partnerships, etc.? FDA and CPT code.

Part 5: Risk vs. Talent Narrative

What risks has your team mitigated so far (business-related and technical as it relates to your business)? What are the next few major risk-reduction milestones? The value of metabolism tracking is well known for weight loss, diet management, and fitness professionals. Due to the lack of a suitable technology (simple and accurate product at an affordable price), most professionals use calculators to estimate metabolism despite that the error can be as large as 100%. Breezing Co will promote the product via professional meetings and networks, and key influencers, such as Dr. Sachiko St. Jeor, who created the calculator widely used by the professionals. She has an active support of Breezing, and incorporated Breezing in her practice.

Briefly list and describe your key team members: • NJ Tao, Co-founder/President, is a key inventor of Breezing's technology, holds over 10 patents, and co-founded Biosensing Instruments Inc. in Arizona in 2004, selling instruments worldwide. Expertise: • E Forzani, Co-founder/VP of Customer Experiences: clinical chemistry. • K Huang, Marketing Director: consumer trends' experience. • F Tsow (PhD), VP of R&D/Engineering: electronics, device integration, and software. • X. Xian (PhD), VP of Production, sensor fabrication and manufacturing. • D. Jackemeyer, Appl. Scientist, outreach and clinical validation.

Briefly describe any holes in your leadership team. What are your plans to address any recruiting needs in the next 18 mos.? Breezing Co seeks to recruit additional marketing & sales talents, including a AND member with sales experience.

Briefly list and describe your key advisors, and their contributions to date: Dr. B. Ainsworth (former president, American College of Sports Medicine) advises on metabolism and use. G. Metral (Exercise physiologist, Argentina NFL) advises on metabolism & exercise. T. Kapsen (Co-founder, New Leaf Health/Fitness; former EVP of MGC Diagnostics) advises on business strategy.